



# United States Department of the Interior

## BUREAU OF LAND MANAGEMENT

Moab Field Office  
82 East Dogwood  
Moab, Utah 84532



3809  
(UT-062)  
U-72499

Lantz Indergard  
Environmental Manager  
Lisbon Valley Mining Co LLC  
P.O. Box 248  
920 S. County Rd. 313  
La Sal, Utah 84530

SEP 29 2006

Dear Lantz:

The Bureau of Land Management (BLM) Moab Field Office received an application from Lisbon Valley Mining Company (LVMC) addressed to the Utah Division of Oil, Gas and Mining (UDOGM) for a Mine Plan Amendment and Bond Adjustment dated August 9, 2006. For future reference, please be advised that any changes to the mine plan also require the approval of the BLM in accordance with the Federal regulations found at 43 CFR 3809.

The application involves the construction of an Intermediate Solution (ILS) pond. The ILS pond would be an addition to the existing solution ponds consisting of the Pregnant Leach Solution (PLS) pond and the raffinate solution pond. Construction and reclamation of the ILS pond would be identical to that specified for the PLS pond. The ILS pond would be located south and adjacent to the PLS pond.

A stormwater pond and an emergency overflow pond are also located adjacent to the existing solution ponds. These ponds were built to collect and store 100% of any overflow from the solution ponds. The addition of another solution pond raises the question as to whether the designs of the stormwater and emergency overflow ponds are still adequate. Therefore, the BLM can not approve the proposed mine plan change until LVMC provides additional information addressing this concern. Also, LVMC must provide an explanation of how the ILS pond would be utilized in the operation.

On September 7, 2006, we received another Mine Plan Amendment from LVMC. This mine plan change involves exploratory drilling within the mine permit boundary. The drilling would be located approximately 1500 feet east of the existing Centennial Pit. A total of 23 borings would each involve a drill pad with about 0.028 acres of disturbance for a total of 0.64 acres.

Our review of the Environmental Impact Statement (EIS) prepared for the mine project indicates that the proposed exploratory drilling would not result in any appreciable impacts beyond what was analyzed in the EIS. Therefore, the exploratory drilling is approved subject to LVMC providing any additional bonding required by the UDOGM. In addition, prior to conducting any work, a cultural clearance must be conducted to ensure that the cultural sites identified by previous surveys within the mine permit boundary are avoided. Reclamation will be conducted as specified in your application. Disturbed areas should be seeded with the following seed mixture:

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DIV. OF OIL, GAS & MINING

| <b><i>Species</i></b> | <b><i>Variety</i></b> | <b><i>Scientific Name</i></b> | <b><i>Pure Live Seed (lbs)/Acre</i></b> |
|-----------------------|-----------------------|-------------------------------|---|
| Saltbush-Fourwing     | AZ NATIVE             | Atriplex canescens            | 3                                       |
| Crested Wheatgrass    | EPHRAIM               | Agropyron cristatum           | 3                                       |
| Western Wheatgrass    | ARRIBA                | Agropyron smithii             | 8                                       |

If you have any questions, please contact Frank Bain at (435) 259-2141.

Sincerely,

Associate Field Manager

cc: Ms. Susan White  
 Minerals Regulatory Program  
 Utah Division of Oil, Gas and Mining  
 1594 West North Temple, Suite 1210  
 Salt Lake City, Utah 84114-5801